

# **EXHIBIT E**

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CONFIDENTIAL - Rasutis

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

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In Re: REFCO INC., et al.

Debtors Case No. 05-03064

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\*\*\*CONFIDENTIAL\*\*\*

VIDEOTAPED DEPOSITION OF VYTENIS RASUTIS

New York, New York

February 9, 2006

Reported by:

KATHY S. KLEPFER, RPR, RMR, CRR

JOB NO. 6123

<p style="text-align: right;">Page 90</p> <p>1           CONFIDENTIAL - Rasutis    2 organized?    3       A. I thought they were all under --    4 organized under the big U.S. Refco umbrella or    5 the worldwide Refco umbrella and they were all    6 part of -- part of the Refco corporate entity.    7       Q. And you thought they were all    8 broker-dealers?    9       A. All, yes, all related and all working    10 together and using the same name, and I thought    11 I went to a firm just like Bear Stearns, just a    12 competing firm.    13      Q. Is it your understanding that Bear    14 Stearns has separately incorporated regulated    15 and non-regulated entities?    16      A. I don't know about the -- their whole    17 structure, but I know the securities and    18 commodities I have at Bear Stearns are protected    19 and safe. Bear Stearns has always emphasized    20 that.    21      Q. When you say "are protected and safe,"    22 what do you mean?    23      A. That Bear Stearns is audited and has    24 internal and external rules that do the best to    25 protect the investor, the customer.</p>	<p style="text-align: right;">Page 92</p> <p>1           CONFIDENTIAL - Rasutis    2 industry.    3       MR. HENKIN: Let's take a short break,    4 but I think we're probably very close to    5 being done.    6       THE VIDEOGRAPHER: The time is 11:29.    7 We're going off the record.    8       (Recess.)    9       THE VIDEOGRAPHER: The time is 11:40.    10 We are back on the record.    11 BY MR. HENKIN:    12      Q. Mr. Rasutis, before we broke, you    13 mentioned that Bear Stearns always emphasized    14 safety, the safety of assets that were deposited    15 with it. Do you recall saying that?    16      A. Yes.    17      Q. Did you ever have a similar    18 conversation with anyone at Refco about RCM?    19      A. No.    20      Q. Let's just go back. From your work in    21 the commodities field, do you have an    22 understanding of what a segregated funds account    23 is?    24      A. Yes.    25      Q. Tell me what that understanding is.</p>
<p style="text-align: right;">Page 91</p> <p>1           CONFIDENTIAL - Rasutis    2       Q. You said "external rules," what were    3 you referring to?    4       A. From outside agencies, whether    5 government regulators or industry    6 self-regulatory agencies.    7       Q. And do you have any understanding    8 about whether RCM was, between, say, January 1,    9 2004 and October -- and September 30, 2005,    10 subject to regulation by any government    11 regulators or industry self-regulatory agencies?    12      A. I thought it was part of the whole    13 Refco entity and it was regulated by entities    14 that controlled -- or that regulated the whole    15 Refco entity.    16      Q. So you thought it was regulated by    17 whoever regulated any other Refco entity?    18      A. Yes.    19      Q. And what was the basis for that view?    20      A. Everything was Refco. It was Refco    21 offices. It was the U.S. headquarters that    22 opened up the account. Normally, if you're    23 operating in the U.S., you have to be registered    24 and regulated in the U.S. There's very strict    25 rules for investment advisors and anyone in the</p>	<p style="text-align: right;">Page 93</p> <p>1           CONFIDENTIAL - Rasutis    2       A. Where the broker-dealer cannot    3 commingle customer funds with his own funds and    4 customer funds and customer assets are separate    5 and belong to the customer. That's my    6 understanding.    7       (Exhibit 115, a document bearing Bates    8 Nos. CMSF0094 through 97, marked for    9 identification, as of this date.)    10 BY MR. HENKIN:    11      Q. Mr. Rasutis, what has been marked as    12 Exhibit 115 is actually a composite exhibit of    13 documents Bates stamped CMSF 94 and 97. Do you    14 recognize these two documents?    15      A. Yes.    16      Q. What are they?    17      A. This is my transfer into -- to start    18 the commodities account. This is the first    19 page, 115, and the second page is a transfer to    20 pay off a margin loan at Refco or pay down a    21 margin loan.    22      Q. With respect to -- I think you said    23 115. Did you mean CMSF 94? These are both part    24 of 115.    25      A. Yes. Yes, I thought there would be</p>